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Brief. Ct

IN THE

Supreme Court of the United States

OCTOBER TERM, 1947.

No. 506

A. B. T. MANUFACTURING CORPORATION,
Petitioner,

vs.

NATIONAL SLUG REJECTORS, INC.,
Respondent.

PETITION FOR WRIT OF CERTIORARI

To the United States Circuit Court of Appeals for the Seventh Circuit and

BRIEF IN SUPPORT.

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NATIONAL SLUG REJECTORS, INC.,
Respondent.

PETITION FOR WRIT OF CERTIORARI TO THE UNITED STATES CIRCUIT COURT OF APPEALS FOR THE SEVENTH CIRCUIT.

To the Honorable the Chief Justice of the United States and the Associate Justices of the Supreme Court of the United States:

Your petitioner, A.B.T. Manufacturing Corporation, respectfully prays for a writ to the Circuit Court of Appeals for the Seventh Circuit to review the judgment entered by that court October 17, 1947.

The transcript of the record in the case, including the proceedings in said Circuit Court of Appeals, is furnished forthwith in accordance with Rule 38 of the Rules of this court.

Note: Unless otherwise noted, emphasis by brief writer.

SUMMARY AND SHORT STATEMENT.

Respondent, National Slug Rejectors, Inc., filed suit against petitioner, A.B.T. Manufacturing Corporation, for infringement of claim 21 (R. 336) of the Fry patent No. 2,292,628 (R. 322) issued August 11, 1942, for a coin selector.

On June 27, 1946, the District Court filed its opinion (R. 297) holding claim 21 infringed but invalid as lacking invention over the prior art patents (R. 356, 370, 424, 498).

The respondent appealed and the Circuit Court of Appeals by its decision (R. 522) dated October 17, 1947, reversed the District Court holding the claim valid and directing the entry of a judgment for an injunction and an accounting.

The patent by its specification (R. 333, l. 43) and drawings (Fig. 18, R. 330) discloses and claim 21 thereof defines a coin selector in which there is a weight-balanced cradle swingably secured to a scavenger gate and having spaced projections extending into a coin receiving pathway. A coin of proper diameter and weight, deposited in the coin receiving pathway, will cradle upon the projections to pivot the cradle so as to direct the coin into a coin acceptance pathway. Coins of proper diameter but of insufficient weight will not pivot the cradle but will be blocked by it until subsequently dislodged therefrom by movement of the scavenger gate. Coins of subnormal diameter will freely by-pass between the projections of the cradle and into the coin rejection pathway.

The single claim in suit appears in the footnote*.

*Claim 21. The combination in a coin selecting apparatus of the character described for separating undersized coins from

The device of the single claim is used entirely by the vending machine industry. The record shows (R. 81) that that industry represents an investment of more than 250 million dollars and does an annual business of from two to three times that amount.

Other than petitioner and respondent there are no manufacturers of slug rejectors of the type herein involved or slug rejectors for sale to the vending machine industry (see Patzer affidavit in the Appendix). By reason of which, there is no likelihood of obtaining a decision in another Circuit with respect to the validity and scope of the single claim in issue.

This claim was held invalid by the trial court but reversed by the Circuit Court of Appeals which held the claim valid upon the theory that the patent statute, Section 4886, 35 U. S. C. 31, *exacted nothing more than novelty and utility* to make a device patentable. There the Circuit Court of Appeals said (R. 524) with respect to this patent statute that:

> "The statute defines in clear language, inventions which are

---

coins having predetermined acceptable diameters of a frame having a coin receiving pathway, a connecting coin rejection pathway, a connecting coin acceptance pathway, a pivotally mounted member having a pair of integral spaced projections normally extending into said coin receiving pathway, means adapted to yieldably urge said projections into a normal position, said member swingably secured to a movable retainer, said retainer yieldably positioned to the said frame adjacent to said receiving pathway and adapted to be laterally displaced from said frame to withdraw said projections from said receiving pathway, said pair of projections spaced in relation to encounter the edge of a coin of acceptable diameter propelled by gravity in said receiving pathway to swing said member to divert said coin into said acceptance pathway, said projections arranged to by-pass therebetween a coin propelled by gravity in said receiving pathway having a diameter less than a coin of acceptable diameter, to separate undersized coins from coins having acceptable diameters and to scavenge said pathways.

> "'Any person who has invented or discovered *any new and useful art,** machine, manufacture or composition of matter, or any new and useful improvements thereof * * * not known or used by others in this country, before his invention or discovery thereof * * * may * * * obtain a patent therefor.' (35 U. S. C. A. Sec. 31.)
>
> "There must be *novelty;* there must be *utility. The statute exacts nothing more.*"

The Circuit Court of Appeals, after observing that patents are not void because they are small or narrow, in the concluding paragraph (R. 532) of its decision, further said with respect to this statute, that:

> "At least Congress evidently so believes, for it retains a patent system that rewards those who contribute to the public welfare by *new and useful products.*"

By its decision (R. 527 *et seq.*) the Circuit Court of Appeals held that under the patent statute, it is the *novelty* of a device which is patentable.

The Circuit Court of Appeals cited and relied upon as supporting authority for its interpretation of the patent statute, its previous decision (written by the same judge who wrote the decision in the case at bar) in *Chicago Steel Foundry Co.* v. *Burnside Steel Foundry Co.,* 132 F. 2d 812 (1943).

In that case the Circuit Court of Appeals for the Seventh Circuit in refusing to follow the rule of law with respect to the patent statute as announced by this court in *Cuno Engineering Corporation* v. *Automatic Devices Corporation,* 314 U. S. 84, 62 S. Ct. 37, 86 L. Ed. 58, 51 U. S. P. Q. 272, and in rejecting for the *first time* (p. 817) the doctrine of the "*flash of genius*" test for invention as announced by this court in the Cuno case, *supra,* said (p. 818):

> "Approaching the specific question in this case—the patentable novelty of the apparatus described in the two claims of plaintiff's patent here involved, *we*

*Emphasis by Circuit Court of Appeals.

> *are rejecting the flash of genius test.* We are adhering to the view which we believe all scientific knowledge and advance in knowledge is built on—the step by step advance—the test and error method. Also we are following the view that invention lies in, and must be determined by, the product, not in the mental activities or contortions that brought it forth."

In referring to the test of invention as the "measuring standards," the Circuit Court of Appeals in its decision in the case at bar, said:

> "The *tests,* the measuring standards, are not a fixed and universally applied measure. At best, the standard is relative in nature and is created by each judge as he seeks to measure the advance of the alleged inventor. Uncertainty is almost sure to accompany relativity in testing methods. One court *will reject* what another accepts as patentable novelty, solely because of the difference in measuring standards."

and thereby affirmed its previous rejection of the requirements of the patent statute and the test of invention as announced by this court in the Cuno case.

Upon the foregoing theories and conclusions the Circuit Court of Appeals in its decision in the case at bar, particularly by its holding that the patent statute *exacted nothing more than novelty and utility* to constitute a device patentable thereunder, reversed the trial court's finding and conclusion of invalidity of claim 21 for lack of invention over the prior art.

JURISDICTION.

1. The decision of the Circuit Court of Appeals was entered on October 17, 1947 (R. 522).

2. A petition for rehearing was denied by the Circuit Court of Appeals on December 8, 1947 (R. 535).

3. The jurisdiction of this court is invoked under Section 240(a) of the Judicial Code as amended by the Act of February 13, 1925 (28 U. S. C. Sec. 347) and Sec. 5(b) of Rule 38 of this Court.

4. Cases believed to sustain the jurisdiction are:

Altoona Theatres v. *Tri-Ergon Corp.*, 294 U. S. 464.

Schriber-Schroth Co. v. *Cleveland Trust Co.*, 305 U. S. 47.

United Carbon Company, et al. v. *Binney & Smith Co.*, 317 U. S. 228.

Goodyear Tire & Rubber Co., Inc. v. *Ray-O-Vac Co.*, 321 U. S. 275.

Halliburton Oil Well Cementing Co. v. *Walker*, 329 U. S. 1, 71 U. S. P. Q. 175.

Muncie Gear Works v. *Outboard Marine Mfg. Co.*, 315 U. S. 759, 62 S. Ct. 865.

Exhibit Supply Co. v. *Ace Patents Corp.*, 315 U. S. 126.

QUESTIONS PRESENTED.

The decision of the Circuit Court of Appeals for the Seventh Circuit presents the following questions:

1. Did the Circuit Court of Appeals correctly interpret Sec. 4886 of the Revised Patent Statutes, 35 U. S. C. 31, in holding that, for a device to be patentable, the statute *"exacts nothing more" than "novelty and utility"*?

2. To what extent and under what conditions, if any, may a Circuit Court of Appeals depart from and renounce a rule of law promulgated by this court, where such rule would be decisive of the case before the Circuit Court of Appeals?

3. Did the Circuit Court of Appeals for the Seventh Circuit depart from and modify the decision of this court in *Cuno Engineering Corporation* v. *Automatic Devices Corporation*, 314 U. S. 84, 62 S. Ct. 37, 86 L. Ed. 58, 51 U. S. P. Q. 272, in holding that the patent statute, R. S. 4886, 35 U. S. C. 31, exacts nothing more than novelty and utility to constitute a device patentable under that statute?

4. Is invention to be determined by the product, or by the mental activities that brought forth the product, or by a combination of both of these factors?

REASONS RELIED UPON FOR ALLOWANCE OF THIS PETITION.

It is believed that the writ should be granted in this case for the following reasons:

1. In holding that the patent statute, R. S. 4886, 35 U. S. C. 31, exacts nothing more than novelty and utility to constitute a device patentable under that statute, the Circuit Court of Appeals for the Seventh Circuit has decided a Federal question in direct conflict with the applicable rule of this court in *Cuno Engineering Corporation* v. *Automatic Devices Corporation*, 314 U. S. 84, 62 S. Ct. 37, 86 L. Ed. 58, 51 U. S. P. Q. 272, as well as other Circuit Courts of Appeals.*

2. In holding that the patent statute, R. S. 4886, 35 U. S. C. 31, exacts nothing more than novelty and utility to constitute a device patentable under that statute, the Circuit Court of Appeals has rendered a decision in conflict with the fundamental principles of patent law enunciated by this court in the Cuno case, *supra*, and has extended at the expense of the public the right to a patent monopoly beyond that authorized by said statute.

3. If the decision of the Circuit Court of Appeals for the Seventh Circuit in the case at bar is allowed to stand, and novelty and utility alone are to form the basis of a

Anderson Co. et al. v. *Lion Products Co., Inc. et al.*, 127 F. 2d 454 (C .C. A. 1); *Weidhaas* v. *Loew's, Inc. et al.*, 125 F. 2d 545 (C. C. A. 2); *Pearson Sanding Mach. Co.* v. *Williams Furniture Co.*, 132 F. 2d 55 (C. C. A. 4); *Trabon Engineering Corporation* v. *Dirkes et al.*, 136 F. 2d 24 (C. C. A. 6); *Freeman et al.* v. *Altvater et al.*, 138 F. 2d 854 (C. C. A. 8); *Standard Cap & Seal Corporation* v. *Coe*, 124 F. 2d 278 (App. D. C.); *In re Shortell*, 142 F. 2d 292 (C. C. P. A.).

patent monopoly, and invention is to be no longer required, a new phase of patent jurisprudence will be established and the public interest and welfare jeopardized by patent monopoly in the Seventh Judicial Circuit.

4. The Circuit Court of Appeals in the decision in the case at bar and by its reliance upon its decision in the case of *Chicago Steel Foundry Co.* v. *Burnside Steel Foundry Co.*, 132 F. 2d 812, has for the *second* time (the same judge writing the opinion in each case) refused to apply, and has proceeded contrary to, the rule of law announced by this court in *Cuno Engineering Corporation* v. *Automatic Devices Corporation*, 314 U. S. 84, 62 S. Ct. 37, 86 L. Ed. 58, 51 U. S. P. Q. 272, with respect to the test of invention and the requirements of the patent statute.

5. A review by this court is warranted because of the sharp conflict between the conclusions *twice* reached by the Circuit Court of Appeals for the Seventh Circuit and those of this court and other Circuit Courts of Appeals on decisive subject matter which is not only vital and material to a decision on the validity of the claim in issue but which is also of such great public importance especially to the vending machine industry, users of devices of the character here involved and which industry represents an investment of more than 250 million dollars throughout the United States and does an annual business of from two to three times that amount. *Forsyth* v. *Hammond*, 166 U. S. 506; *Klaxon Company* v. *Stentor Electric Mfg. Company, Inc.*, 313 U. S. 487, 49 U. S. P. Q. 515; *Duplate Corporation and Pittsburgh Plate Glass Company* v. *Triplex Safety Glass Company of North America*, 298 U. S. 448, 29 U. S. P. Q. 306.

6. In view of the fact that there is no likelihood of obtaining a decision in another Circuit with respect to the validity and scope of the claim of the patent in suit, and

because of the importance of the questions presented, this court should exercise its power of review. *Schriber-Schroth Co.* v. *Cleveland Trust Co.*, 305 U. S. 47; *Muncie Gear Works* v. *Outboard Marine Mfg. Co.*, 315 U. S. 759; *Exhibit Supply Co.* v. *Ace Patents Corp.*, 315 U. S. 126.

Wherefore, it is respectfully submitted that this petition for writ of certiorari to the Circuit Court of Appeals of the Seventh Circuit should be granted.

Respectfully submitted,

A. B. T. MANUFACTURING CORPORATION,
Petitioner,

By .....

CLARENCE E. THREEDY,
111 West Washington Street,
Chicago, Illinois,
Its Attorney.

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A. B. T. MANUFACTURING CORPORATION,
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NATIONAL SLUG REJECTORS, INC.,
Respondent.

BRIEF IN SUPPORT OF PETITION FOR WRIT OF CERTIORARI TO THE UNITED STATES CIRCUIT COURT OF APPEALS FOR THE SEVENTH CIRCUIT.

To the Honorable the Chief Justice of the United States and the Associate Justices of the Supreme Court of the United States:

The decision of the Circuit Court of Appeals now sought to be reviewed, was entered on October 17, 1947 (R. 522).

Jurisdiction of this court is invoked under Section 240(a) of the Judicial Code as amended by the Act of February 13, 1925 (28 U. S. C. Sec. 347) and Sec. 5(b) of Rule 38 of this court.

STATEMENT OF THE CASE.

To avoid repetition, reference is hereby made to the statement on pages 2-5, *supra,* of the Petition for Writ of Certiorari.

SPECIFICATION.

The following are the alleged errors of the Circuit Court of Appeals which will be urged before this court:

1. The Circuit Court of Appeals erred in holding that the patent statute, R. S. 4886, 35 U. S. C. 31, exacted nothing more than "novelty" and "utility" to constitute a device patentable under that statute.

2. The Circuit Court of Appeals erred in holding claim 21 of the Fry patent, 2,292,628, valid over the prior art relied upon by the petitioner upon the theory that the patent statute, R. S. 4886, 35 U. S. C. 31, exacted nothing more than "novelty" and "utility" to constitute a device patentable under that statute.

3. The Circuit Court of Appeals erred in holding claim 21 of the Fry patent 2,292,628, valid over the prior art upon the erroneous assumption that under the patent statute it is the "novelty" of a device which determines its patentability.

4. The Circuit Court of Appeals erred in holding claim 21 of the Fry patent, 2,292,628, valid over the prior art relied upon by petitioner.

ARGUMENT.

Point I.

This case presents for review a decision (R. 522) of the Circuit Court of Appeals for the Seventh Circuit in which that court has decided a Federal question in direct conflict with the applicable rule of this court in *Cuno Engineering Corporation* v. *Automatic Devices Corporation,* 314 U. S. 84, 62 S. Ct. 37, 86 L. Ed. 58, 51 U. S. P. Q. 272, as well as other Circuit Courts of Appeals.

As the statutory requirements (R. S. 4886) with respect to the grant of a private monopoly on the public domain are an important factor in patent law, this case presents exceptional circumstances affecting patent monopoly within the Seventh Judicial Circuit and the public interest and welfare. It particularly affects the vending machine industry, only users of devices of the character here involved. That industry represents an investment of more than $250,000,000 throughout the United States and does an annual business of from two to three times that amount (R. 81).

Specifically, the question has to do with the patent statute, Section 4886, 35 U. S. C. 31. By its decision, the Circuit Court of Appeals has extended, at the expense of the public, the right to a patent monopoly beyond that authorized by Section 4886 of the Revised Patent Statutes, 35 U. S. C. 31, which decision is in conflict with the fundamental principles of patent law enunciated by this court in the Cuno case.

With respect to this patent statute, the Circuit Court of Appeals in its opinion in the case at bar (R. 524) said:

"The statute defines in clear language, inventions which are

> " 'Any person who has invented or discovered *any new and useful art,** machine, manufacture, or composition of matter, or any new and useful improvements thereof * * * not known or used by others in this country, before his invention or discovery thereof * * * may * * * obtain a patent therefor.' (35 U. S. C. A. Sec. 31.)

"There must be *novelty;* there must be *utility. The statute exacts nothing more.*"

In the concluding paragraph of its opinion, the Circuit Court of Appeals further said (R. 532) with respect to the patent statute:

> "At least Congress evidently so believes, for it retains a patent system that rewards those who contribute to the public welfare by *new and useful* products."

The Circuit Court of Appeals by holding (R. 524)

> "There must be novelty; there must be utility. The statute exacts nothing more."

has construed this statute as requiring only novelty and utility to constitute a device patentable. The Circuit Court of Appeals has by such holding eliminated from the statute, the requirement of invention.

By its decision the Circuit Court of Appeals has established within the Seventh Judicial Circuit, a doctrine that if a device exhibits "novelty" and "utility", it meets the requirement of the patent statute and the novelty exhibited by such device is therefore patentable. It has completely ignored the rule that the art, machine, manufacture or composition of matter said to exhibit novelty and utility must under the patent statute also be an "invention" or "discovery". *Each requirement of the patent statute is*

*Emphasis by Circuit Court of Appeals.

a complement to the other. They are not patentably severable.

By ruling that the patent statute exacts nothing more than *novelty* and *utility* to make a device patentable thereunder and by eliminating therefor the requirement of invention, the Seventh Circuit Court of Appeals has established a new phase of patent jurisprudence. It has decided a Federal question in direct conflict with the applicable decision of this court in numerous cases, particularly in the Cuno case, supra.

In that case, this court said (314 U. S. 84 @ 90):

> "We may concede that the functions performed by Mead's combination are *new* and *useful*. But that does not necessarily make the device patentable. Under the statute (35 U.S.C. 31, R.S. 4886) the device must not only be new and useful, it must also be '*invention*' or '*discovery*'." * * *
>
> "That is to say the new device, however useful it may be, must reveal the flash of creative genius, not merely the skill of the calling. If it fails, it has not established its right to a private grant on the public domain."

This conflicting decision of the Circuit Court of Appeals creates a situation wherein the public interest and welfare is assaulted and endangered by patent monopoly in the Seventh Judicial Circuit. The Circuit Court of Appeals in effect has done that which Congress only has the power to do, to-wit: amended by judicial determination the patent statute by eliminating therefrom the requirement of invention as one of the requisites to the issuance of a valid patent.

This sharp conflict between the conclusions reached by the Circuit Court of Appeals for the Seventh Circuit and those of this court and the other Circuit Courts of Appeals, coupled with the great public interest in the question pre-

sented, warrants a review by this court. *Klaxon Company* v. *Stentor Electric Mfg. Company, Inc.*, 313 U. S. 487, 49 U.S.P.Q. 515. *Duplate Corporation and Pittsburgh Plate Glass Company* v. *Triplex Safety Glass Company of North America*, 298 U. S. 448, 56 S. Ct. 792, 80 L. Ed. 1274, 29 U.S.P.Q. 306. *Halliburton Oil Well Cementing Co.* v. *Walker*, 329 U.S. 1, 71 U.S.P.Q. 175.*

Point II.

The test of invention as announced by this court in the Cuno case, *supra*, has been applied by the Circuit Courts of Appeals of other Circuits** and by the Circuit Court of Appeals for the Seventh Circuit*** until *twice* renounced by the latter court in its decisions in the case at bar and in *Chicago Steel Foundry Co.* v. *Burnside Steel Foundry Co.*, 132 F. 2d 812, cited as authority for the conclusions reached in its decision in the case at bar.

The test of invention laid down by this court in the Cuno case was *first rejected* by the Circuit Court of Appeals for the Seventh Circuit in the Chicago Steel Foundry case, *supra*, as appears from the following language (p. 818):

---

*In *Halliburton Oil Well Cementing Co.* v. *Walker*, 329 U. S. 1, notwithstanding the absence of conflicting decisions between different Circuit Courts of Appeals with respect to the patent there in suit, this court granted a writ of certiorari to consider whether the statutory requirement (Sec. 4888) of distinctness and certainty in claims was correctly applied by the lower court.

**_Anderson Co. et al._ v. _Lion Products Co., Inc. et al._, 127 F. 2d 454 (C. C. A. 1); _Weidhaas_ v. _Loew's, Inc., et al._, 125 F. 2d 545 (C. C. A. 2); _Pearson Sanding Mach. Co._ v. _Williams Furniture Co._, 132 F. 2d 55 (C. C. A. 4); _Trabon Engineering Corporation_ v. _Dirkes et al._, 136 F. 2d 24 (C. C. A. 6); _Freeman et al._ v. _Altvater et al._, 138 F. 2d 854 (C. C. A. 8); _Standard Cap & Seal Corporation_ v. _Coe_, 124 F. 2d 278 (App. D. C.); _In re Shortell_, 142 F. 2d 292 (C. C. P. A.).

***_Ronning Machinery Co. et al_ v. _Caterpillar Tractor Co._, 129 F. 2d 70 (C. C. A. 7).

> "Approaching the specific question in this case—the patentable novelty of the apparatus described in the two claims of plaintiff's patent here involved, we are *rejecting* the flash of genius test. We are adhering to the view which we believe all scientific knowledge and advance in knowledge is built on—the step by step advance—the test and error method. Also we are following the view that invention lies in, and must be determined by, the product, not in the mental activities or contortions that brought it forth."

In referring to the test of invention as "measuring standards," the Circuit Court of Appeals in its decision in the case at bar said:

> "The tests, the measuring standards, are not a fixed and universally applied measure. At best, the standard is relative in nature and is created by each judge as he seeks to measure the advance of the alleged inventor. Uncertainty is almost sure to accompany relativity in testing methods. One court *will reject* what another accepts as patentable novelty, solely because of the difference in measuring standards."

and thereby affirmed its previous rejection of the test of invention as announced by this court in the Cuno case.

This sharp conflict between the Circuit Court of Appeals for the Seventh Circuit and those of this court and other Circuit Courts of Appeals with respect to the test of invention, and the rejection by the Circuit Court of Appeals for the Seventh Circuit of the test as announced by this court in the Cuno case, further warrants a review by this court. *Forsyth* v. *Hammond*, 166 U. S. 506, *Exhibit Supply Co.* v. *Ace Patents Corporation*, 315 U. S. 126, *Halliburton Oil Well Cementing Co.* v. *Walker*, 329 U. S. 1, 71 U. S. P. Q. 175.

Point III.

This case presents the further and important question: Is invention to be determined by the product; or by the mental activities that brought forth the product; or by a combination of both of these factors; are novelty and utility alone sufficient to constitute a device patentable?

The Circuit Court of Appeals in its decision in the case at bar, as it did in the Chicago Steel Foundry case, *supra*, the same judge writing both decisions, decided the foregoing question in direct conflict with the applicable decision in the Cuno case.

In each case, the Circuit Court of Appeals *rejected* the test of invention as announced in the Cuno case and followed the view that a showing of novelty and utility alone is sufficient to make a device patentable.

Had the Circuit Court of Appeals applied the test of invention as announced by this court in the Cuno case, it would have found, as did the trial court, claim 21 invalid for want of invention.*

This question is of tremendous public importance and further warrants a review by this court.

Point IV.

The patent in suit dominates an industry. As shown by the affidavit (in the Appendix) of William Patzer, vice-president of the defendant corporation, petitioner herein, there are no manufacturers, other than petitioner and respondent, who are engaged in the manufacture of a coin selector such as is involved in this litigation or a coin selector for sale to the vending machine industry. Therefore, litigation in other Circuits resulting in a conflict of decisions with respect to the validity of the patent in suit

*See Appendix.

would not be likely to occur. In similar situations this court, in *Muncie Gear Works* v. *Outboard Marine & Mfg. Co.*, 315 U. S. 759, 62 S. Ct. 865, and *Exhibit Supply Co.* v. *Ace Patents Corporation*, 315 U. S. 126, granted writs of certiorari.

In the Exhibit Supply case, *supra*, this court said:

> "Although there is no conflict of decision, we are moved to grant the petition by the nature of the questions presented together with a showing that the industry affected by the patent is located in the Seventh Circuit so that litigation in other Circuits resulting in a conflict of decisions would not be likely to occur."

The power of this court to grant a writ of certiorari is co-extensive with all possible necessities. *Forsyth* v. *Hammond*, 166 U. S. 506.

PRAYER.

Wherefore, your petitioner prays that its petition be granted; that a writ of certiorari be issued and the case reviewed and the judgment of the Circuit Court of Appeals reversed and that of the trial court affirmed.

Respectfully submitted,

A.B.T. MANUFACTURING CORPORATION,
Defendant-Appellee,

By Clarence E. Threedy

CLARENCE E. THREEDY,
Its Attorney.

APPENDIX.

Affidavit in Support of Petition for Writ of Certiorari.

STATE OF ILLINOIS, }
County of Cook. } ss.

I, WILLIAM PATZER, being duly sworn, depose and say that I am of legal age, a resident and citizen of the City of Chicago, County and State aforesaid, and vice-president of petitioner company, A.B.T. Manufacturing Corporation;

That I am now and have been for a period of more than twenty years engaged and associated with the manufacture of coin selectors for use by the vending machine industry;

That said vending machine industry represents an investment of more than 250 million dollars and is the only user of the coin selector here involved;

That 99% of the manufacturers in the vending machine industry are purchasers of said coin selectors;

That no manufacturer, other than petitioner company and respondent company, National Slug Rejectors, Inc., is engaged in the manufacture of a coin selector of the type involved in this litigation or a coin selector for sale to the vending machine industry.

Further affiant sayeth not.

William Patzer

WILLIAM PATZER.

Subscribed to and sworn before me this 30th day of December, 1947.

Katherine A. Yergy

KATHERINE A. YERGY,
Notary Public.

The Prior Art.

The DuGrenier patent, No. 2,033,930 (R. 426) shows and describes a coin testing mechanism which embodies the broad combination set forth in claim 21 in issue including a coin testing lever swingably secured to a retainer member.

The Cahoon patent, No. 454,425, Figs. 4 and 5 (R. 358) and the Trippensee patent, No. 953,363, Fig. 3 (R. 371), each disclose the specific coin testing cradle referred to in claim 21 in issue as a pivotally mounted member.

The Fry *et al.* patent, No. 2,326,211 (R. 498) discloses a device which the trial court found and concluded (R. 306, par. 25; R. 308, par. 7) to be the full mechanical equivalent of the device of claim 21 in issue. This patent particularly shows a device capable of performing the function of rejecting a coin of proper diameter but underweight.

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IN THE

Supreme Court of the United States

OCTOBER TERM, 1947.

No. 506.

A. B. T. MANUFACTURING CORPORATION,
Petitioner,

vs.

NATIONAL SLUG REJECTORS, INC.,
Respondent.

RESPONDENT'S BRIEF URGING THAT CERTIORARI BE DENIED.

To the Honorable the Chief Justice of the United States and the Associate Justices of the Supreme Court of the United States:

COUNTER-STATEMENT OF THE MATTERS INVOLVED.

The District Court found against petitioner on its contentions (a) of non-infringement and (b) that *its* patentee (Patzer) was the prior inventor of the invention, in suit, over respondent's patentee (Fry). By far the greater part of the trial and most of the evidence received was over the latter contention. (R. 528.)

In the Court of Appeals *both contentions were conceded,** by petitioner, in favor of respondent. (R. 522.) Therefore, the Court said: the "controversy is narrowed to the issue of *patentable* novelty." (R. 529.)

The only real issue,** in controversy, pressed before, and passed on by the Court of Appeals, was *whether there was lack of patentable invention, over the prior art.*

The Appellate Court, speaking through Circuit Judge Evans, in finding that the invention of Claim 21 of the patent (No. 2,292,628, R. 322), in suit, was not anticipated by, and amounted to *patentable invention over, the prior art,* applied and followed the well established rule in this and other Courts. (164 F. 2d 333.)

Here there is no conflict in decisions of Circuit Courts of Appeal. Nor does the claim dominate an entire industry, concentrated, or otherwise.

The patented device*** here involved is a spurious coin or token rejector. It was the first to solve the long existing problem of rejecting *spurious* coins or token of proper diameter but *underweight,* with no clogging possible, a feature highly stressed to the trade by the petitioner (R. 88, 271), and most important in commercial field service. (R. 22, 23, 27, 261.)

There are various kinds and types of coin selectors and rejectors but respondent's patented device is different, it embodies a combination of elements for preventing cheating by using a coin of proper diameter but *underweight.*

---

* Italics ours unless otherwise mentioned.

** In addition, the Court disposed of the defense of aggregation "not seriously advanced by defendant" there (R. 533) and not presented here.

*** Illustrated by Figures 15, 16, 17 and 18 (R. 330), and covered by Claim 21 (R. 336), of the Fry patent in suit.

As the Appellate Court said (R. 532):

> "The prior art machines may have well served their purpose, yet they did not anticipate Fry, who was building a different kind of a machine designed to serve a different kind of purpose, namely, one which would prevent a cheater from cheating the machine with a different kind of coin from that used to cheat the prior art machines. Here lies the distinction upon which plaintiff rests its whole case.
>
> "It might not be going far afield to classify the cheaters into two classes—one we might call the prior art cheaters. They were the older artists or artisans who worked these coin machines successfully with spurious coins until new and better machines defeated their efforts. The second class is the modern or highly skilled cheaters who have found a way to beat the old machines through an underweighted coin. Plaintiff's machine was designed to thwart this kind of cheating. It was accomplished by using many of the old elements *and by adding new elements** which in practice successfully blocked the use of an underweight coin of proper size."

Respondent does not make vending machines but rejectors only. It introduced its rejector, embodying the invention in suit, to the trade in 1940. (R. 84-85.)

After it was suggested to the chief engineer of petitioner, by one of his associates, that petitioner should scrap its previous rejectors and follow respondent's it obtained samples of respondent's patented rejectors and constructed its first model by *actually using parts taken from respondent's.* (R. 51, 254.) Petitioner later, put its infringing device on the market some time subsequent to March, 1945 (R. 269, 271) and thereafter took out a patent (R. 514) swearing under oath that its copy amounted to patentable invention over the prior art.

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* Italics by the Court.

It is common and well-known that there are, and have been for many years, various vending machine manufacturers throughout the United States as indicated by the questions of petitioner's counsel (R. 90) all employing some kind of coin selector or rejector. While it is estimated in the Record (R. 81) that the investment in vending machines is on the order of two hundred and fifty million dollars, that estimate had reference to the *vending machines*. Respondent does not make vending machines but coin rejectors only, used as attachments for such machines. The rejector in question is a small device and as commercially sold by petitioner and respondent, can be held in the hand as will appear from the commercial samples in evidence and as indicated by the cuts of petitioner's device. (R. 271.) The orders received by respondent prior to April, 1942 amounted to about 100,000 units. After the war, that is, from V-J Day, until the time of the trial (April, 1946) the orders amounted to about one and one-half million dollars. (R. 85, 86.) Thus the rejector business in question represents only a small part of the investment in the vending machine industry. According to the testimony of Patzer, petitioner's chief engineer, defendant had been and was also at the time of trial (April 1946) making and selling its old models, not embodying the claim in suit. (R. 144.)

THE QUESTION.

Whether the claim in suit was anticipated by, or lacking in *patentable* invention over, the prior patented art?

That question is not presented in the petition for certiorari here.

The *hypothetical* questions of the petition can not be presented here as being founded on anything which the Court of Appeals *actually decided,* based on the record in this case.

REASONS URGED FOR DENYING CERTIORARI.

1. The main question the Court of Appeals decided, actually urged at the hearing, was whether the claim in suit was lacking in *patentable* invention over the prior art. The Court of Appeals, after carefully reviewing the prior patents in the light of the record, found that the claim in suit was not anticipated; that it was not lacking in patentable invention over the prior art; that it was not the work of a skilled mechanic; that it amounted to patentable invention. In doing so, it faithfully followed the most exacting decisions of this and other courts as to the law applicable, to such questions.

2. Petitioner has definitely misinformed this Court as to the real question decided by the Court of Appeals also as to its theory and reasons for its decision also as to the alleged questions presented in its petition, being here involved. The petition should be denied on that ground alone for failure to present the case accurately and fairly.

3. The case involves (a) no question of public importance; (b) no matter of avoiding conflict on the law; (c) no matter affecting the interest of the nation; (d) no case of importance which is in the public interest to have decided by this Court; (e) no principles, the application of which are wide public and governmental interests; (f) no doubtful question of law of such wide application that this Court should consider, to remove the doubt; (g) no questions as to dominating an *industry*, concentrated or otherwise, nor any angles of price fixing or anti-trust.

It involves *only* a question of personal interest in a *straight* patent suit, *where the Court of Appeals, by following the most exacting decisions of this and other Courts, held a patent claim valid because it found that it was not anticipated by, or lacking in patentable invention over the prior patented art.*

4. The petition for certiorari is patently worthless and without foundation, justification, or cause and obviously falls in that class of petitions for certiorari which are characterized as having been filed for delay.

ARGUMENT.

Point I.

The only real question decided by the Court of Appeals, in view of this record and as disclosed by the Opinion, was whether or not claim 21 in suit was lacking in patentable invention over the prior patented art. After a careful review of the prior art, it found Claim 21 was not anticipated, was not lacking in patentable invention over the art and was not the work of a skilled mechanic. So finding, it held the claim valid. There is no conflict between the decisions of the Circuit Courts of Appeal. Therefore the petition should be denied for this Court held, in *General Pictures Co.* v. *Electric Co.*, 304 U. S. 175 (Decided May 2, 1938), 178, 179, that a writ would not be granted to review merely the question of anticipation and invention where there is no conflict between the Circuit Courts of Appeal citing *Layne & Bowler Corp.* v. *Western Well Works*, 261 U. S. 387, 393. *Keller* v. *Adams-Campbell Co.*, 264 U. S. 314.

The question before this Court *now is whether a writ should issue merely because the Appellate Court found that patentable invention existed over the prior art.*

If the writ issues solely on such ground that, in effect, means, in this case, a direct appeal probably resulting in petitions, for writs, being thereafter presented, for consideration, by this Court, in every case where invention is found regardless of proper grounds—throwing a further heavy burden on this Court.

Point II.

The Court of Appeals, *in the present case,* did not decide, as inexcusably contended by petitioner, a federal question in direct conflict with the applicable rule of this Court in *Cuno Engineering Corporation* v. *Automatic Devices Corporation,* 314 U. S. 84, or any of the decisions cited by the petitioner in the footnote on page 8 of its petition.

In the Cuno case, at page 90 this Court said:

> "Under the statute (35 U. S. C. § 31; R. S. § 4886) the device must not only be 'new and useful,' it must also be an 'invention' or 'discovery.' *Thompson* v. *Boisselier,* 117 U. S. 1, 11. Since *Hotchkiss* v. *Greenwood,* 11 How. 248, 267 decided in 1851, it has been recognized that if an improvement is to obtain the privileged position of a patent more ingenuity must be involved than the work of a mechanic skilled in the art."

That rule was fully appreciated and followed by the Court of Appeals in this case. It is made *perfectly clear over and over* that even though the claim is not anticipated, it is not sufficient that it cover *only* the work of a skilled mechanic but *must* cover a concept and disclosure of a device which amounts to *patentable* invention over the prior art.

The Court of Appeals, after stating (R. 524):

> "The courts, however, have long recognized that there must be something present which modifies the kind or quality of the novelty. They have long, if not always, required that there be something in the originality,—something about the novelty, which makes the 'new' in the mechanism something to cause the court to say 'here an inventor labored.' * * *"

cited its prior (1943) decision* between different parties

* *Chicago Steel Foundry Co.* v. *Burnside Steel Foundry Co.,* 132 F. 2nd 812.

on a different patent, where the Court held, among other things, that it "must be always kept in mind that *patentable novelty or invention calls for something more than the skill of the mechanic.*" It is true, reference was later made to a flash of genius in that Opinion, but what was said as to that term in the 1943 case, is not in any manner, shape or form involved in the case now before this Court. We characterize such tactics by petitioner as wholly improper and as being an abortive attempt to review another case decided in 1943, foreign to the subject and parties here.

That the Court of Appeals did not modify the statute or any of the decisions of this Court but followed the decisions of this Court and the Statute, as interpreted by this Court, will be demonstrated by the most casual reading of its Opinion. (R. 522.) Thus it is clear that the petitioner unpardonably misinformed this Court by repeatedly saying that the Court of Appeals held the claim in suit valid on the theory that *nothing more* than mere novelty and utility was necessary to make the device patentable*, and by

---

* A reading of the Opinion clearly shows that before holding the claim valid, the Court had in mind and applied the correct rule consistently with the decision of this Court, for it said among other things:

1. "Was Fry, when he brought forth his coin selector, an *inventor*, or was he a mechanic?" (R. 523.)
2. "Before going into the details of this particular structure, it should be noted that there is no question but that there were both (a) utility and (b) novelty, in plaintiff's coin selector. (R. 523.)
3. "The Courts • • • have long recognized that there must be something present which modifies the kind or quality of the novelty. They have long, if not always, required that there be something in the originality,—something about the novelty, which makes the 'new' in the mechanism something to cause the court to say 'here an inventor labored'." • • • (R. 524.)
4. "We must study the prior art and ascertain to what extent the field was closed to Fry by virtue of the patents" of the prior art. (R. 525.)
5. "• • • Was the new combination the work of a skilled workman or the product of an *inventor*" • • •. (R. 525.)
6. "As the years and decades have passed by, it is quite

repeatedly saying and contending that the Court of Appeals "refused to follow the rule of law with respect to the patent statute as announced by this Court" in the Cuno Engineering case and by presenting the four incorrect and unfounded questions on Page 7 of its Petition which can not possibly be presented on the record and Opinion in this case.

After carefully reviewing the prior patents, separately and collectively, the Court found that the invention of the claim in suit was not anticipated by or lacking in *patentable invention* over the prior art and that Fry's was a different kind of rejector designed to serve a different kind of purpose; namely, one which would prevent a cheater from cheating the vending machine with a coin of proper size but *underweight.*

---

clear that the test of *patentable novelty* has grown more and more severe and exacting." (R. 525.)

7. "True, the test may be well described in the same old phrases, to-wit, mechanical skill and *inventive genius*" • • •. (R. 526.)

8. "The second significant factor is the rule of law applicable to a case where the controversy is narrowed to the issue of *patentable* novelty and where it is established that utility and novelty exist. Upon such a showing the courts have placed the burden upon the infringer to show the *novelty was not patentable.* This we think is a logical deduction from the copying by the infringer. Citing: *Mumm* v. *Decker & Sons,* 301 U. S. 168; *Cantrell* v. *Wallick,* 117 U. S. 689; *The Barbed Wire Patent,* 143 U. S. 285; *Chicago Steel Foundry* v. *Burnside Steel Foundry,* 132 F. 2d 812." (R. 529.)

9. "• • • the burden was on the infringer, to show the novelty was insufficient." (R. 529.)

10. "• • • a long line of decisions holds that the invalidity may be declared where the novelty represents only the action of a mechanic." (R. 530.)

11. "Blocking the way to Fry's claim as an *inventor* are three patents which are part of the prior art and deal with combinations of the same general character as the patent in suit.

"There are other structures in the prior art, but the District Court relied on three patents which counsel relied on in the oral argument in this Court." (R. 526.)

There is nothing whatever in that Opinion in any matter, shape or form in variance with or contrary to the uniform decisions of this, or other Courts having to do with patents. Thus we urge with all sincerity that, in view of petitioner's failure to present the case accurately and fairly, and particularly in view of its actions in definitely misinforming this Court, by repeated unfounded statements and contentions, its petition should be stricken and denied.

Missouri Pacific R. R. Co. v. *Hanna,* 266 U. S. 184 (1924).

Furness, Withy & Co., Ltd. v. *Yang-Tsze Insurance Association, Ltd.,* 242 U. S. 430, 433 (1917).

U. S. v. *Rimer,* 220 U. S. 547, 548 (1911).

Southern Power Co. v. *North Carolina Public Service Co.,* 263 U. S. 508, 509 (1924).

FURTHER COMMENTS.

If the decision of the Court of Appeals in the American Steel Foundry case, decided in 1943, was in variance, or conflict with the decision of this Court, in the Cuno Engineering case, that situation can not now here be reviewed. Petitioner's *abortive* attempt so to do should be stricken and denied.

Because all others have respected respondent's patent, petitioner should not be entitled to certiorari merely to review a finding of the Court of Appeals that a patent claim was not lacking in *patentable* invention over the prior art, where that Court in so doing followed the most exacting decisions of this and other Courts. The petitioner must think it has a right of *direct* appeal and that the act making the decisions of the Court of Appeals in patent cases final, is a nullity.

In the patent cases in this Court, cited by the petitioner (p. 6), involving domination and concentration of an entire industry, it is quite clear from the files that the writs were not granted solely on that ground, for the domination and concentration were grouped with *other things, situations and questions, wholly lacking in the present case.* Further, as we said before, domination and concentration of an entire industry does not exist in the present case.

The Court of Appeals, after referring to respondent's tactics in connection with its action (both in the District and Appellate Courts) said, such action (R. 529), "carries several adverse deductions, one of which is bad faith and lack of sincerity in its contention of invalidity".

We have thought much about lack of sincerity in petitioner's presentation here, for it certainly is not fair or accurate and is not based on the record or the Opinion below and further because it submits *hypothetical* questions which can not be presented on the record in this case. We see no purpose, except delay.

CONCLUSION.

In view of the reasons heretofore pointed out, we sincerely believe and urge that the petition for certiorari be denied.

Respectfully submitted,

CLARENCE J. LOFTUS,
135 S. La Salle Street,
Chicago, Illinois,
Counsel for Respondent.

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IN THE

Supreme Court of the United States

OCTOBER TERM, 1947.

No. 506

A. B. T. MANUFACTURING CORPORATION,
Petitioner,

vs.

NATIONAL SLUG REJECTORS, INC.,
Respondent.

REPLY BRIEF FOR PETITIONER

Re Petition for Writ of Certiorari to the United States Circuit Court of Appeals for the Seventh Circuit.

CLARENCE E. THREEDY,
Attorney for Petitioner,
111 West Washington Street,
Chicago, Illinois.

THE BUNTHORP-WARREN PRINTING COMPANY, 310 WEST JACKSON, CHICAGO

IN THE

Supreme Court of the United States

OCTOBER TERM, 1947.

No. 506

A. B. T. MANUFACTURING CORPORATION,
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vs.

NATIONAL SLUG REJECTORS, INC.,
Respondent.

REPLY BRIEF FOR PETITIONER.

Re Petition for Writ of Certiorari to the United States Circuit Court of Appeals for the Seventh Circuit.

To the Honorable the Chief Justice of the United States and the Associate Justices of the Supreme Court of the United States:

Your petitioner, A. B. T. Manufacturing Corporation, presents this, its reply to respondent's brief filed in opposition to petitioner's petition for writ of certiorari.

I.

Respondent argues (p. 9) that the Circuit Court of Appeals by its decision in the case at bar, did not modify the patent statute, Section 4886. It also argues in its brief (p. 8) that the Circuit Court of Appeals did not decide a Federal question in conflict with the decisions of other Circuit Courts of Appeals and the decisions of this court.

In the decision in the case at bar, the Circuit Court of Appeals said (R. 524) with respect to the patent statute, Section 4886, 35 U. S. C. 31:

> "There must be *novelty;* there must be *utility.* The Statute exacts *nothing more.*"

This court in *Cuno Engineering Corporation* v. *Automatic Devices Corporation,* 314 U. S. 84, 62 S. Ct. 37, 86 L. Ed. 58, 51 USPQ 272, said:

> "Under the statute (35 U. S. C. 31, R. S. 4886) the device must not only be 'new and useful,' it must also be an 'invention' or 'discovery'."

Considered together, the two decisions are, contrary to respondent's argument, in direct conflict. Both cannot prevail.

The two decisions, contrary to respondent's argument, when considered together, clearly show that the Circuit Court of Appeals, by its decision in the case at bar, did modify the patent statute by eliminating therefrom the requirement of invention. The unambiguous language employed by the Circuit Court of Appeals in its decision affords no other conclusion.

The respondent further argues that there is no question presented which is of public interest; that the petitioner by its petition seeks merely to review the question of anticipation. Petitioner's supporting brief speaks to the contrary.

A question of tremendous public importance is presented. The public has a vital interest in the patent statute. When a Circuit Court of Appeals interprets that statute in a manner contrary to the applicable decisions of this court, as did the Circuit Court of Appeals in the instant case, the public welfare is jeopardized and the question presented thereby becomes of great public importance.

II.

Respondent contends that this is an ordinary patent case.

No "ordinary" patent case involves a situation wherein a new phase of patent jurisprudence is established; a situation by which the public interest and welfare are jeopardized by patent monopoly, by a decision of a Circuit Court of Appeals holding, in conflict with the applicable decisions of other Circuit Courts of Appeals and particularly the decisions of this court, that the patent statute exacts *nothing more* than *novelty* and *utility* to constitute a device patentable.

The respondent endeavors to minimize this holding of the Circuit Court of Appeals by pointing out (pp. 8-10) that the Circuit Court of Appeals in the case at bar recognized that there must be something present which modifies the kind or quality of the *novelty*,* something about the *novelty* which makes the new in the mechanism something to cause the court to say, "Here an inventor labored."

---

* Referred to in the decision of the Circuit Court of Appeals in the case at bar as "patentable novelty," a few of such instances being:

"The Courts * * * have long recognized that there must be something present which modifies the kind or quality of the novelty." (R. 524.)

"As the years and decades have passed by, it is quite clear that the test of *patentable novelty* has grown more and more severe and exacting." (R. 525.)

"The second significant factor is the rule of law applicable to a case where the controversy is narrowed to the issue of *patentable novelty* and where it is established that utility and novelty exist. Upon such a showing the courts have placed the burden upon the infringer to show the *novelty was not patentable.*" (R. 529.)

"* * * the burden was on the infringer, to show the *novelty* was insufficient." (R. 529.)

"* * * a long line of decisions holds that the invalidity may be declared where the *novelty* represents only the action of a mechanic." (R. 530.)

The respondent has failed to recognize, as did the Circuit Court of Appeals, that it is the art, machine, manufacture, or composition of matter, which must display invention. It is not the novelty exhibited by that art, machine, manufacture or composition of matter. Respondent has failed to recognize, as did the Circuit Court of Appeals in the case at bar, that *each requirement of the patent statute is a complement to the other.* They do not separably constitute patentability.

III.

Contrary to respondent's contention (pp. 8-9), the Circuit Court of Appeals in its decision did decide the validity of claims 21 upon the theory that the patent statute exacted nothing more than novelty and utility to constitute a device patentable thereunder. This becomes evident when it is observed that before the Circuit Court of Appeals decided the validity of claim 21 in issue, it made the basis for such decision a holding (R. 524) that the patent statute exacted nothing more than *novelty* and *utility.*

IV.

The mere unsupported conclusions (p. 9) on the part of respondent's brief writer are not persuasive that the Circuit Court of Appeals in the decison of the case at bar, did not affirm its previous rejection, in *Chicago Steel Foundry Co.* v. *Burnside Steel Foundry Co.,* 132 F. 2d 812* (cited as supporting authority in the decision of the case at bar),

---

In that case the Circuit Court of Appeals said:

* "Approaching the specific question in this case—the patentable novelty of the apparatus described in the two claims of plaintiff's patent here involved, we are *rejecting the flash of genius test.* We are adhering to the view which we believe all scientific knowledge and advance in knowledge is built on—the step by step advance—the test and error method. Also we are following the view that invention lies in, and must be determined by, the product, not in the mental activities or contortions that brought it forth."

of the test of invention as announced by this court in the Cuno case, *supra.*

The Circuit Court of Appeals by the following language in the decision of the case at bar (R. 526):

> "The tests, the measuring standards, are not a fixed and universally applied measure. At best, the standard is relative in nature and is created by each judge as he seeks to measure the advance of the alleged inventor. Uncertainty is almost sure to accompany relativity in testing methods. One court *will reject* what another accepts as patentable novelty, solely because of the difference in measuring standards."

did affirm such previous rejection.

V.

The respondent's brief makes no reply to the subject matter of petitioner's supporting brief appearing under the heading "Point III" (p. 18).

VI.

The mere conclusions on the part of the respondent's brief writer are not sufficient to traverse the affidavit of Patzer (see Appendix, petitioner's supporting brief), which affidavit shows that the patent dominates an industry representing an investment of more than Two Hundred Fifty Million Dollars and which industry is the only user of the coin selector here involved. This affidavit clearly shows that there is no likelihood of conflict of decisions with respect to the claim involved. The showing of this affidavit, coupled with the important questions presented, warrants the granting of the petition for writ of certiorari. *Exhibit Supply Co.* v. *Ace Patents Corporation,* 315 U. S. 126; *Halliburton Oil Well Cementing Co.* v. *Walker,* 329 U. S. 1, 71 USPQ 175.

VII.

While respondent makes the frequent charge that the petition presented is not fair or accurate and is not based on the record or the opinion below, respondent in no single instance makes reference to the record or the opinion below to support this unfounded charge.

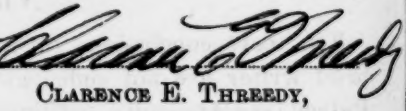
As respondent charges that the petitioner's petition for writ of certiorari has been filed for the purpose of delay, counsel for petitioner hereby certifies that the petition was filed in good faith, is well-founded both in fact and in law, and is not for the purpose of delay.

Conclusion.

The petition for writ of certiorari should be granted.

Respectfully submitted,

A. B. T. MANUFACTURING CORPORATION,
Petitioner,

By 
CLARENCE E. THREEDY,
Its Attorney.

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OCTOBER TERM, 1947.

No. 506

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Petitioner,

vs.

NATIONAL SLUG REJECTORS, INC.,
Respondent.

PETITION FOR REHEARING.

Re Petition for Writ of Certiorari to the United States Circuit Court of Appeals for the Seventh Circuit.

CLARENCE E. THREEDY,
Attorney for Petitioner,
111 West Washington Street,
Chicago, Illinois.

THE DUNTHORP-WARREN PRINTING COMPANY, 210 WEST JACKSON, CHICAGO

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Respondent.

PETITION FOR REHEARING.

Re Petition for Writ of Certiorari to the United States Circuit Court of Appeals for the Seventh Circuit.

To the Honorable the Chief Justice of the United States and the Associate Justices of the Supreme Court of the United States:

MAY IT PLEASE YOUR HONORS:

One of the four questions presented in the petition for writ of certiorari filed in this court as of January 2, 1948, was:

> "1. Did the Circuit Court of Appeals correctly interpret Sec. 4886 of the Revised Patent Statutes, 35 U.S.C. 31, in holding that, for a device to be patentable, the statute *'exacts nothing more'* than *'novelty and utility'?"*

This question directly affects the construction of the patent statute.

This court in *Mercoid Corporation* v. *Mid-Continent Investment Company*, 320 U. S. 661, 60 USPQ 21 at 24, and in innumerable other decisions, has held that *the public interest is dominant in the patent system.*

Because of the presence of this dominating interest, the petition for writ of certiorari heretofore prayed for should be allowed, if for no other reason than to decide whether or not the Circuit Court of Appeals for the Seventh Circuit has correctly interpreted the patent statute, Section 4886, which is a part of that patent system *dominated by the public interest.*

Respectfully submitted,

A.B.T. MANUFACTURING CORPORATION,
Petitioner.

By CLARENCE E. THREEDY,
Its Attorney.

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NATIONAL SLUG REJECTORS, INC.,
Respondent.

RESPONSE TO PETITION FOR REHEARING.

CLARENCE J. LOFTUS,
Counsel for Respondent.

THE BLAKEMORE-WARREN PRINTING COMPANY, 310 WEST JACKSON, CHICAGO

IN THE

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RESPONSE TO PETITION FOR REHEARING.

To the Honorable the Chief Justice of the United States and the Associate Justices of the Supreme Court of the United States:

The point raised in the petition for rehearing and urged in the petition for certiorari, is without substance or foundation in this record as fully pointed out in our response to the petition for certiorari.

Obviously, the petition for rehearing was filed for the purpose of delay. In fact, counsel doesn't even certify that it was not, as required by the rules.

Respectfully submitted,

CLARENCE J. LOFTUS,
Counsel for Respondent.

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CHARLES ELMORE CROPLEY
CLERK

IN THE

Supreme Court of the United States

OCTOBER TERM, 1947.

No. 506

A.B.T. MANUFACTURING CORPORATION,
Petitioner,

vs.

NATIONAL SLUG REJECTORS, INC.,
Respondent.

CERTIFICATION
IN RE PETITION FOR REHEARING
UNDER RULE 33 AS AMENDED OCTOBER 13, 1947.

Re Petition for Writ of Certiorari to the United States Circuit Court of Appeals for the Seventh Circuit.

CLARENCE E. THREEDY,
Attorney for Petitioner,
111 West Washington Street,
Chicago, Illinois.

THE BUNTHORP-WARREN PRINTING COMPANY, 210 WEST JACKSON, CHICAGO

IN THE

Supreme Court of the United States

OCTOBER TERM, 1947.

No. 506.

A.B.T. MANUFACTURING CORPORATION,
Petitioner,

vs.

NATIONAL SLUG REJECTORS, INC.,
Respondent.

CERTIFICATION
IN RE PETITION FOR REHEARING UNDER RULE 33 AS AMENDED OCTOBER 13, 1947.

Re Petition for Writ of Certiorari to the United States Circuit Court of Appeals for the Seventh Circuit.

To the Honorable the Chief Justice of the United States and the Associate Justices of the Supreme Court of the United States:

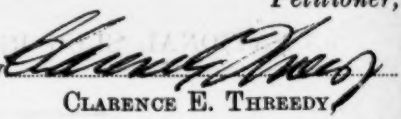
MAY IT PLEASE YOUR HONORS:

It having been called to the attention of petitioner's counsel that a certificate as required by Rule 33, Paragraph 2, of the Rules of Practice before this court, was omitted from the petition for rehearing filed herein in re petition for writ of certiorari to the United States Circuit Court of

Appeals for the Seventh Circuit, counsel for petitioner hereby certifies that said petition for rehearing was filed in good faith and not for the purpose of delay, and that said petition for rehearing is restricted to the grounds therein stated, particularly that of inviting this court's attention to the case of *Mercoid Corporation* v. *Mid-Continent Investment Company,* 320 U. S. 661, 60 U. S. P. Q. 21 at 24, wherein this court held that *"the public interest is dominant in the patent system."*

Respectfully submitted,

A.B.T. MANUFACTURING CORPORATION,
Petitioner,

By 
CLARENCE E. THREEDY,
Its Attorney.

Chicago, Illinois,
February 16, 1948.

IN THE

Supreme Court of the United States

OCTOBER TERM, 1947.

No. 506

A.B.T. MANUFACTURING CORPORATION,
Petitioner,

vs.

NATIONAL SLUG REJECTORS, INC.,
Respondent.

SUPPLEMENTAL PETITION FOR REHEARING.

Re Petition for Writ of Certiorari to the United States Circuit Court of Appeals for the Seventh Circuit.

To the Honorable the Chief Justice of the United States and the Associate Justices of the Supreme Court of the United States:

MAY IT PLEASE YOUR HONORS:

Petitioner respectfully requests leave to file this, its supplemental petition for rehearing, to be considered in conjunction with petitioner's petition for rehearing filed as of February 17, 1948.

In its supporting brief filed with the petition for writ of

certiorari, petitioner pointed out (p. 14) that the Circuit Court of Appeals for the Seventh Circuit by its decision (R. 524) held by express language that under the patent statute, Section 4886, 35 U. S. C. A., Sec. 31, in order to constitute a device patentable

> "There must be *novelty;* there must be *utility.* The statute exacts *nothing more.*"

In its petition for rehearing filed herein on February 17, 1948, petitioner pointed out that one of the four questions presented in its petition for writ of certiorari was:

> "1. Did the Circuit Court of Appeals correctly interpret Section 4886 of the Revised Patent Statutes, 35 U. S. C. 31 in holding that for a device to be patentable, the statute *'exacts nothing more'* than *'novelty and utility'?*"

In its petition for rehearing filed herein on February 17, 1948, petitioner restricted itself to that question and invited the court's attention to its holding in *Mercoid Corporation* v. *Mid-Continent Investment Co.,* 320 U. S. 661, 60 USPQ 21 at 24, to the effect that "the public interest is dominant in the patent system."

In the aforesaid petition for rehearing, petitioner concluded by observing (p. 2) that because of the presence of this dominating interest the petition for writ of certiorari heretofore prayed for should be allowed, if for no other reason than to decide whether or not the Circuit Court of Appeals for the Seventh Circuit has correctly interpreted the patent statute, Section 4886, which is a part of that patent system dominated by the public interest.

Since the filing of the aforesaid petition for rehearing, this court has rendered its opinion in *Funk Brothers Seed Co.* v. *Calo Inoculant Co.,* decided February 16, 1948, Appeal No. 208, 76 USPQ 280 at 282. In that decision this court,

speaking through the Honorable Mr. Justice Douglas, held that:

> "But a product must be more than new and useful to be patented; it must also satisfy the requirements of invention or discovery. *Cuno Engineering Corp.* v. *Automatic Devices Corp.*, 314 U. S. 84, 90, 91."

Unless a writ of certiorari is granted in the case at bar, there will remain written in the law of the Seventh Judicial Circuit a decision which, because of its conflicting holding with the recently expressed decision of this court in the *Funk* case, *supra*, on a related question, may hereafter be regarded as distinguishing from and result in erroneous interpretation of this court's decision in the Funk case.

Upon the foregoing premises, it is respectfully submitted that the petition for writ of certiorari should be granted, restricted to the first question presented in the petition for writ of certiorari, reading as follows:

> "1. Did the Circuit Court of Appeals correctly interpret Section 4886 of the Revised Patent Statutes, 35 U. S. C. 31, in holding that for a device to be patentable the statute '*exacts nothing more*' than '*novelty and utility*'?"

Respectfully submitted,

A.B.T. MANUFACTURING CORPORATION,
Petitioner.

By Clarence E. Threedy

CLARENCE E. THREEDY,
Its Attorney.

Chicago, Illinois,
February 20, 1948.

CERTIFICATION PURSUANT TO RULE 33 AS AMENDED OCTOBER 13, 1947.

I, Clarence E. Threedy, counsel for petitioner, HEREBY CERTIFY that this supplemental petition for rehearing is presented in good faith and not for the purpose of delay and is restricted to the grounds therein stated.

Clarence E. Threedy

CLARENCE E. THREEDY.

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IN THE

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OCTOBER TERM, 1947.

No. 506

A.B.T. MANUFACTURING CORPORATION,
Petitioner,

vs.

NATIONAL SLUG REJECTORS, INC.,
Respondent.

RESPONDENT'S RESPONSE TO SUPPLEMENTAL PETITION FOR REHEARING.

CLARENCE J. LOFTUS,
135 South LaSalle St.,
Chicago 3, Illinois,
Counsel for Respondent.

THE BUNTHORP-WARREN PRINTING COMPANY, 810 WEST JACKSON, CHICAGO

IN THE

Supreme Court of the United States

OCTOBER TERM, 1947.

No. 506.

A. B. T. MANUFACTURING CORPORATION,
Petitioner,

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NATIONAL SLUG REJECTORS, INC.,
Respondent.

RESPONDENT'S RESPONSE TO SUPPLEMENTAL PETITION FOR REHEARING.

To the Honorable the Chief Justice of the United States and the Associate Justices of the Supreme Court of the United States:

I.

This court denied the petition for certiorari. Since then, the petitioner has filed three separate pieces of printed material seeking a rehearing. The last entitled "Supplemental Petition for Rehearing," *again* is based on an inexcusable contention, as fully pointed out in respondent's brief urging that certiorari be denied.

The Court of Appeals, as we heretofore pointed out and as a reading of its Opinion will demonstrate, in holding

Claim 21 valid, not only found that the device of Claim 21 had utility, that it was novel *but that it also amounted to a patentable invention over the prior art,* all in strict compliance with the most exacting decisions of this court.

II.

Petitioner in its last printed "petition," apparently full well realized that it had not previously brought forth anything which would justify a rehearing so it attempted to find an excuse for filing its last "petition" by referring to the recent decision (February 16, 1948) of this Court in the *Funk Brothers* case.

A reading of that Opinion will show that it has no relation whatever to the question decided in the instant case. It is clear that the question which this Court passed on and decided in the *Funk Brothers* case was whether or not the patent claim could be upheld where its novelty was based solely on a *law of nature.*

Petitioner on page 3 quotes an observation from this Court's Opinion in the *Funk Brothers* case, to the effect that a product must be more than new and useful to be patented; it must also satisfy the requirements of invention. That is exactly what the Court of Appeals found and held in the instant case. It not only found that the device had utility, that it was novel, but *that it also amounted to patentable invention over the prior art.*

Petitioner's supplemental petition for rehearing is clearly without merit, excuse or foundation. It is simply another delaying maneuver and should be denied.

Respectfully submitted,

CLARENCE J. LOFTUS,
135 South LaSalle St.,
Chicago 3, Illinois,
Counsel for Respondent.